

GENERAL LIBRARY
OCT 7 1918

UNIV. OF MICH.

Engineering
Library

The
NATIONAL ASSOCIATION
of CORPORATION SCHOOLS
BULLETIN

25 Cents a Copy

\$2.00 For a Year

Volume V

October, 1918

**Mr. Schwab Discusses Economic
Problems of the Future**

"I consider myself," says Mr. Schwab, "just as much a worker today as I was when I was driving spikes in the Edgar Thomson Steel Works at one dollar per day. When I speak of workers I mean all who work. The man who works with his hands today and who works hard and intelligently is the man who will be working with his brain tomorrow, for hand work well done leads to brain work." Mr. Schwab, in his latest interview published in the *American Magazine* for September, has given a most thoughtful and constructive criticism of the economic problems of the future as he sees and understands them. He is at the head of an institution that employs over one hundred thousand men. His interview is reproduced as a special article in this issue of the BULLETIN.

PUBLISHED BY ORDER OF THE
EXECUTIVE COMMITTEE

The National Association of Corporation Schools

Headquarters, 130 East 15th Street, New York City

Objects

Corporations are realizing more and more the importance of education in the efficient management of their business. The Company school has been sufficiently tried out as a method of increasing efficiency to warrant its continuance as an industrial factor.

The National Association of Corporation Schools aims to render new corporation schools successful from the start by warning them against the pitfalls into which others have fallen and to provide a forum where corporation school officers may interchange experience. The control is vested entirely in the member corporations, thus admitting only so much of theory and extraneous activities as the corporations themselves feel will be beneficial and will return dividends on their investment in time and membership fees.

A central office is maintained where information is gathered, arranged and classified regarding every phase of industrial education. This is available to all corporations, companies, firms or individuals who now maintain or desire to institute educational courses upon becoming members of the Association.

Functions

The functions of the Association are threefold: to develop the efficiency of the individual employee; to increase efficiency in industry; to have the courses in established educational institutions modified to meet more fully the needs of industry.

Membership

From the Constitution—Article III.

SECTION 1.—Members shall be divided into three classes: Class A (Company Members) Class B (Members), Class C (Associate Members).

SECTION 2.—Class A members shall be commercial, industrial, transportation or governmental organizations, whether under corporation, firm or individual ownership, which now are or may be interested in the education of their employees. They shall be entitled, through their properly accredited representatives, to attend all meetings of the Association, to vote and to hold office.

SECTION 3.—Class B members shall be officers, managers or instructors of schools conducted by corporations that are Class A members. They shall be entitled to hold office and attend all general meetings of the Association.

SECTION 4.—Class C members shall be those not eligible for membership in Class A or Class B who are in sympathy with the objects of the Association.

Dues

From the Constitution—Article VII.

SECTION 1.—The annual dues of Class A members shall be \$100.00.

SECTION 2.—The annual dues of Class B members shall be \$5.00 and the annual dues of Class C members shall be \$10.00.

SECTION 3.—All dues shall be payable in advance and shall cover the calendar year. New Class A members joining between January 1st and April 1st shall pay first year's dues of \$100.00; those joining between April 1st and July 1st shall pay nine months' dues or \$75.00; those joining between July 1st and October 1st shall pay six months' dues or \$50.00; those joining between October 1st and December 31st shall pay three months' dues or \$25.00, but for subsequent years shall pay full dues of \$100.00. Any members in arrears for three months shall be dropped by the Executive Committee unless in its judgment sufficient reasons shall exist for continuing members on the roll.

Officers 1917-1918

PRESIDENT

Dr. H. M. Rowe
The H. M. Rowe Company

FIRST VICE-PRESIDENT

W. W. Kincaid
The Spirella Company, Inc.

SECOND VICE-PRESIDENT

Charles R. Hook
The American Rolling Mill Company

SECRETARY

Dr. Lee Galloway
New York University

TREASURER

E. J. MEHRN
McGraw-Hill Publishing Company

EXECUTIVE SECRETARY AND ASSISTANT TREAS.

F. C. Henderschott
The New York Edison Company

EXECUTIVE COMMITTEE

John McLeod
Carnegie Steel Company
Pittsburgh, Pa.
C. R. Dooley
Westinghouse Electric &
Manufacturing Company
K. W. Waterson
American Telephone &
Telegraph Company
Geo. N. VanDerhoef
Dodge Manufacturing Co.
Mont. H. Wright
John B. Stetson Co.
Jacob Yoder
The Pennsylvania Railroad Co.
L. L. Park
American Locomotive Company
C. E. Bilton
The Bilton Machine Tool Company
J. W. Dietz
Ex-President N. A. C. S.
F. C. Henderschott
The New York Edison Company

The National Association of Corporation Schools BULLETIN

Published Monthly by

THE NATIONAL ASSOCIATION OF CORPORATION SCHOOLS

130 E. 15th Street, New York City

Edited by F. C. Henderschott, Executive Secretary

25 Cents a Copy

\$2.00 For a Year

Volume V

October, 1918

No. 10

OUR COUNTRY'S MOST PRESSING PROBLEM

In the past the BULLETIN has published figures compiled by sources considered authentic to indicate the waste and loss in our country caused by lack of proper education and of training. These figures indicated a loss so great as two billions of dollars annually. The BULLETIN has also published figures credited to Mr. Frank A. Vanderlip, President of the National City Bank of New York, indicating an annual loss caused by strikes, lock-outs, and other labor strife, of one billion dollars. Figures have also been compiled indicating that the unnecessary and unprofitable labor turnover in the United States causes an annual loss of from two to five billions of dollars. This figure represents about 75% of the total labor turnover in our country which percentage is estimated by good authorities as being unnecessary turnover or labor turnover where neither the employer nor the employe profit. The original sources of wealth in the United States are the factory and the farm. Most of our original wealth comes from one of these two sources. It is true that some wealth is mined and some wealth comes originally from other sources, but so small is the amount when compared to the wealth created on the farm and in the factory it may safely be ignored in a discussion of the fundamental factors which enter into the prosperity of the United States. The figures as given above relate largely to the factory; however, there is tremendous waste in our agriculture. The International Harvester Company places the amount at five billions of dollars annually. This company insists that there is an average annual loss of some 30 per cent. of gross income, all of which can be saved. Failure to test seed corn

costs \$100,000,000; improper harvesting and storing of seed corn, millions of dollars in yield and quality; planting of imported seed corn, cannot be estimated; ravages of corn root worm, more than \$100,000,000; waste of cornstalks left in the field instead of being put in silo, at least \$500,000,000; failure to treat small grains for smut, \$35,000,000; waste of manure through careless handling, \$100,000,000; weeds, \$300,000,000; hog cholera, over \$65,000,000, Texas fever cattle tick, nearly \$500,000,000; "scrub" dairy cows, \$745,000,000; for depreciation of farm machinery and tools from failure to house or care for them, soil erosion resulting from one crop system of agriculture and for carelessness, neglect, shiftlessness, about \$2,500,000,000 more. It is estimated at the present moment the annual income of the United States is about \$50,000,000,000. The figures as given above indicate an annual waste of \$13,000,000,000 or 25% of the created wealth of our country. This is the greatest problem the United States has to solve. In excellence of equipment in the factory, in our transportation systems, in the shop, in the home, and on the farm, the United States exceeds any other nation. The remedy lies in more complete education, better training, and better industrial methods.

THE FUNDAMENTAL FACTORS IN EMPLOYMENT

During the past few years industrial institutions have given much thought to their employment problems. Perhaps the larger measure of results have been attained in determining what these problems are rather than in finding corrective measures.

To begin with, there is probably in the whole United States not a single employment department that would be accepted by a representative number of industrial institutions as standard or as embracing all of the fundamental factors in employment. There are some good employment departments, but they are good only in comparison with employment departments as a whole rather than in comparison with an employment department which would embody all of the favorable factors which have been determined. For example, it is now generally con-

ceded that the education and training which the individual has received must be carefully considered when new employes are being taken on by an industrial corporation. This does not mean that all employes must have received a college education or a high school education, but it does mean that certain positions require the college trained and certain positions require the high school trained, and furthermore it means that college trained people should not be employed for positions which require only a grammar school education.

This leads to the second important factor in the problem: that is, analyzing the position which is to be filled. The well regulated employment department head will not only analyze and determine the requirements of the position to be filled, but he will also employ with a view to training and promoting the new employe from the original position to one of greater importance and requiring a higher degree of schooling.

The third factor in the problem is the one least understood. It involves two problems, both of which have received and are still receiving much attention. First: the psychological tests, and second, the matter of vocational guidance.

The psychological tests have proved to the satisfaction of many who have studied the question thoroughly and who are competent to reach conclusions that the tests most commonly used will determine the degree of intelligence, but whether or not these tests can be relied on to determine special abilities is not yet generally accepted. The tests are still being made, and perhaps later on a better working basis will be found than has been set up to the present time.

Vocational guidance is still a vague and illusive problem. In the first place, there is no unanimity of agreement as to whether or not individuals possessing marked characteristics which may be utilized as a basis have marked successes along definite fixed developments. Secondly, if individuals do possess these special or marked abilities are they aware of the fact that they possess them? There are many instances where men have been only moderately successful in certain lines of work who have proved geniuses when through accident, or in a few cases, from

design, they have changed their occupation to some calling which held the larger appeal. It is certain that one must be interested in his work, but it by no means follows that one will succeed in the work in which he is interested.

The whole problem of labor turnover must be developed from the starting point of employment. It is probable that in the course of a relatively few years there will be enough authentic data on the subject to permit of standardizing employment departments, but at the present moment the demand is for analysis, tests and study. This is the way all problems are ultimately solved.

HOW TO RECEIVE GREATEST VALUE FOR MEMBERSHIP IN OUR ASSOCIATION

What are becoming generally known as personnel problems in industry may be classified broadly under a relatively few headings. For example: employment, training, safety, thrift, et cetera. Employment, of course, presupposes that the applicant for work has received an education. The degree of this education is important, as the amount of training required will depend upon the education the application has received. Safety is also quite generally known and accepted as an educational problem. These different activities tie into each other in such a way as to make it convincing to one who is studying the whole question that personnel activities must be classified quite apart from the other subdivisions of activities in an industrial institution. They relate to all of the other activities, but are a part of none. Training, safety, et cetera, relate to production, to accounting and financing, to marketing, to distribution, in fact to every branch of an industrial institution, and yet personnel activities cannot be classified as belonging to any of the divisions enumerated. Therefore, the need for a department devoted exclusively to personnel problems. Some of the large industrial corporations of our country have inaugurated such activities—two coming to mind readily: The International Harvester Company and The American Rolling Mills Company. There are probably others—

surely there are many corporations which have inaugurated personnel activities, although they may not have grouped these activities under a department head. It is certain, however, that sooner or later such a grouping will be made. It would seem desirable that personnel activities be grouped under a Vice-President, reporting directly to the President and to the Board. The department would be subdivided, of course, with an employment manager, an educational and training director, a chairman of the safety activities, and perhaps some other minor executive devoting his entire attention to what are generally known as welfare movements—company restaurants—physical examinations—athletic activities, et cetera.

All of these personnel problems have been treated rather exhaustively by our Association in the sub-committee reports in the annual volume of *Proceedings*, in the special and confidential reports and in the monthly *BULLETIN*, but unless a corporation having membership in our Association has so organized its personnel problems and activities as to be in position to receive advantage of the information that is given, the value of membership in our Association will not approach the value received by the member which has organized its personnel activities in such a way as to be in position to utilize all of the knowledge that is given.

Dr. Rowe, in his President's page, has stated this problem well and forcefully. The value of membership in our Association will depend largely upon what the representatives of Class "A" members contribute, and to what extent they utilize the information brought to them.

MR. SCHWAB'S LOOK INTO THE FUTURE

Charles M. Schwab, President of the Bethlehem Steel Corporation, and one time president of the United States Steel Corporation, in a moment when confidences were being exchanged around a banquet table and when he felt he was among old time friends, talked about his conception of economic problems when the war is over and effort is being made to reestablish something

that will approach a normal condition. Mr. Schwab also gave an interview to a writer for the *American Magazine*. Some of the things he said at the banquet table and some of the things the writer made him say in the *American Magazine* seemed rather radical and there was much comment in the press and among those who study economic conditions and attempt to reason as to the future. Mr. Schwab cannot be considered an alarmist and until the publicity above referred to he was not considered a radical. Some of the things he said and some of the things he was alleged to have said were reproduced in the BULLETIN. The editor of the BULLETIN feels it a duty to keep our readers informed. It will matter but little how well American workers are trained; it will matter but little how efficient the equipment of this country is made, in fact nothing will matter very much until there is an understanding as between capital, labor, and government which will permit of a just and equitable distribution of earnings and which will further permit of utilizing the total industrial resources of our country. Our resources also must be utilized without waste or at best with but a minimum of waste which may be considered as unavoidable. Perhaps it was not so much what Mr. Schwab said as the fact that he voiced the opinions of a considerable number of reputable citizens. There are evidences that what was considered as normal before the outbreak of the war will never again represent conditions so far as the United States is concerned. Too many vital factors have been changed. In less than a year the United States will be bone dry. Prohibition will be a reality not locally but nationally. Many women now have the vote, others will get it; equal suffrage is assured. The United States, always a debtor nation, now becomes a creditor nation. Instead of sending a portion of our yearly earnings to Europe to liquidate interest and dividends, Europe must send large sums to this country to pay interest on the money loaned there since the war began. The universal conscription law is also something new. When organized society, through legislative action, reached out and conscripted, first, the younger men of our country, and later, those that were needed up to the age of 45, there was laid the

foundation for an entirely new conception of personal rights. Property rights, it may safely be assumed, cannot precede in importance personal rights and if the person may be conscripted for the good of the nation, then property may also be conscripted, and this is being done. As Mr. Schwab has pointed out in his better thought out discussion, which appeared as an interview with B. C. Forbes, in the September issue of the *American Magazine*, this country is already taxing property to an unusual extent. Those who have the largest incomes are now called upon to return to the Federal Treasury two-thirds of every dollar of their income in the form of income tax. And there are other taxes, state and municipal, which increase this percentage. It has been figured out that in some cases, not more than twenty cents of each dollar of income remains the property of the individual. The nomination of Henry Ford, usually considered a Republican, for the United States Senate in the Democratic primaries of Michigan, is an evidence that the voters are no longer voting for an emblem or for a name. Henry Ford paid his employees a new scale of wages, by many considered a fairer division of the joint earnings of Mr. Ford's capital and his employees' labor. Mr. Ford may be but the beginning of a new element in Congress. He surely represents a new school of thought. Because of the facts here mentioned, a considerable portion of Mr. Schwab's latest interview is reproduced in this issue of the BULLETIN. It is interesting reading for the student of economics.

No Danger of Overcrowding the Brain

Scientists tell us that the brain is composed of millions upon millions of tiny cells—memory cells. We never acquire enough knowledge in a lifetime to fill more than a small percentage of those cells, no matter how learned we may become. The more we learn, in fact, the more we realize how little we know, and the harder we strive to learn more. This accounts for the modesty and tolerance of really big minds toward the lesser lights.

We are all at school, and when we cease to go to school, we become mere "cogs"—pieces of mechanism soon to wear out, and easily replaced.

THE PRESIDENT'S PAGE

THE GREAT OBJECTIVE

The great objective of my administration will be to bring about ways and means, if it is at all possible, for the employment, and I hope the permanent employment, of a field secretary and a field investigator. One who has two eyes to see, two ears to hear, and only one mouth to talk, but a brain behind to make his talk worth while. This is the man whom we want to gather ideas wherever he can find them, and then suggest the good ones to those who ought to have them, and later on, through his experience, be able to point out those ideas that are no good to the one who is to use them. Such an one shall be the Great Gatherer and Disseminator—the missing link in our present organization, the fellow who can tell what he has found everywhere to everyone who can be helped by them without doing injury to the other fellow.

I think it is a good idea. Do our member companies think so? At least, think it over. I can't accomplish it, neither can your board of officers, unless we have your support and some gray matter mixed with your study of what we think about it. It is a great opportunity, isn't it? We shall be glad to hear personally or through the executive secretary touching this Big Idea.

H. M. ROWE,
President.



EUROPE'S EDUCATIONAL MESSAGE TO AMERICA

FRANCE

"Do not let the needs of the hour, however demanding, or its burdens, however heavy, or its perils, however threatening, or its sorrows, however heartbreaking, make you unmindful of the defense of tomorrow, of those disciplines through which the individual may have freedom, through which an efficient democracy is possible, through which the institutions of civilization can be perpetuated and strengthened. Conserve, endure taxation and privation, suffer and sacrifice, to assure to those whom you have brought into the world that it shall be not only a safe but a happy place for them."—*France's message, reported by John H. Finley, Commissioner of Education of New York State, in his Report on French Schools in War Time.*

ENGLAND

"At the beginning of the war, when first the shortage of labor became apparent, a raid was made upon the schools, a great raid, a successful raid, a raid started by a large body of unreflecting opinion. The result of that raid upon the schools has been that hundreds of thousands of children in this country have been prematurely withdrawn from school, and have suffered an irreparable damage, a damage which it will be quite impossible for us hereafter adequately to repair. That is a very grave and distressing symptom."—*H. A. L. Fisher, President of the English Board of Education.*

"Any inquiry into education at the present juncture is big with issues of national fate. In the great work of reconstruction which lies ahead there are aims to be set before us which will try, no less searchingly than war itself, the temper and enduring qualities of our race; and in the realization of each and all of these, education with its stimulus and discipline, must be our standby. We have to perfect the civilization for which our men have shed their blood and our women their tears."—*Report of the English committee on juvenile education in relation to employment after the war.*

CHARLES M. SCHWAB TAKES A LOOK INTO THE FUTURE

Through B. C. Forbes He Has Given a Message of Special Interest to Business Men, which Message Reached the Public Through the "American Magazine" (September, 1918). Our Readers Will Recall that Mr. Schwab Made an Address Some Few Months Ago and also Granted an Interview. The Present Article Corrects Some False Impressions and Is a More Thoughtful and Constructive Presentation of Economic Problems.

An Interview Given by Charles M. Schwab, President of the Bethlehem Steel Corporation to B. C. Forbes for the *American Magazine*.

"Workers, men who do things either with their hands or their heads, will be the real leaders of the world after the war. Nations will not be led and governed by men who are aristocrats only by birth or by riches. The aristocrats of the future will be the men who, either in business or in other directions, have distinguished themselves by what they have done for the progress and the prosperity of their country or mankind.

"There is coming a more equitable readjustment of rewards for work done and services rendered. But the readjustment, to my mind, will take the form of evolution and not revolution.

"Some informal remarks I made recently were improperly reported in the newspapers, and the impression was conveyed that I had declared that the Bolsheviki would, by-and-by, rule the world. I have been branded as a prophet of evil, as a revolutionary Socialist, as advocating the tearing down of the existing social order and placing everyone on the same common or dead level in regard to property wealth and material rewards. I never said or meant anything of the kind.

"What I believe will come and ought to come is a process which will be the very antidote to such a catastrophe and will make for a wider and closer and more real brotherhood of man."

The speaker is Charles M. Schwab. So much nonsense, much of it mischievous, has been said and written concerning Mr. Schwab's ideas of the future social and economic order that I prevailed upon him to tell for *The American Magazine* exactly what he did say and to amplify his views of what was coming. Mr. Schwab I discovered felt rather keenly the widespread misrepresentation to which he has been subjected. Having accepted a most responsible position under the United States Government,

it would be doubly unfortunate if the nation's workmen and others were misled as to Mr. Schwab's attitude toward them and as to what he foresees as the coming order of government.

Mr. Schwab, it is hardly necessary to explain, is the man President Wilson has picked to increase America's production of new ships. As Director General of Shipping, he had not been twenty-four hours on the job before he had put the machinery in motion to remove some two thousand of the Emergency Shipping Fleet staff from the political atmosphere of Washington to the center of the nation's shipbuilding activities, Philadelphia. Before he had been two weeks in harness he had plans under way to increase forthwith the output of ships by more than fifty per cent.

The President knew what he was doing when he selected Schwab. For the creator and upbuilder of America's super-Krupps was already, in his own companies, building more vessels than any other shipbuilder in the world. He was also making more guns, shells, and other war munitions than even the Kaiser's much-vaunted Krupps. Schwab had then and still has in his employ well over one hundred thousand men devoting themselves to supplying America and her allies with war materials, ranging from battleships, submarines, and monster guns to bullets.

Mr. Schwab Not a Socialist

"I am not a Socialist," Mr. Schwab declared emphatically, referring to the false position in which he had been placed. "I don't believe in pulling down, but in leveling up. My views have not been formed or even changed by the war. In fact, I recall having said something on this very subject in an article in *The American Magazine* about two years ago."

Here is an extract from the article to which Mr. Schwab referred:

"Some of those nations across the Atlantic have very definite divisions of aristocracy. Men in whose veins flows titled blood are vested with the right to sit in high places. I have always believed that the aristocracy of any country should be the men who have succeeded—the men who have aided in upbuilding their country—the men who have contributed to the efficiency and happiness of their fellow-men. If America is to have an aristocracy, let it be so builded. And our future will be safe."

"When you use the word 'workers' you don't mean only unskilled laborers or those who work only with their hands, in their shirt-sleeves?" I asked.

"No. I consider myself just as much a worker today as

I was when I was driving spikes at a dollar a day in the Edgar Thomson Steel Works. When I speak of workers I mean all who work. The man who works with his hands today, and who works hard and intelligently, is the man who will be working with his brain tomorrow. For hand work well done leads to brain work.

"When I say, therefore, that the world is to be ruled after the war by those who work, I certainly do not mean that Governments are to be in the hands of such destructionists and anarchists as have come to the front in Russia since the revolution. In the past, the term 'the governing classes' has meant, as a rule, so-called aristocrats, heads of titled families very often, great land-owners who have inherited their estates, statesmen and diplomats of lineage.

"The war has brought home what I have always contended, namely, that there are no more useful citizens than the real workers, both those in the ranks and those who, starting in the ranks, have by their industry, their ability, their integrity, risen to positions of responsibility and leadership and who have become large employers; men who have developed the resources of the nation and have built up its industries, its railroads and its commerce. The usefulness of this type of man has been demonstrated very strikingly on both sides of the Atlantic, particularly in England, where, not so very long ago, those who were 'in trade' were not usually ranked with the country's aristocracy.

Labor Should Receive a Lion's Share of What It Creates

"Everyone who returns from the trenches tells us that the men who have risked their lives and suffered for their country will demand a greater share in government and greater rewards for their work hereafter. This trend is inevitable. And it should not be blindly opposed. It is fit and proper that labor should receive a fair share of what it helps to create.

"In our Bethlehem Steel plants we have had a very elaborate system for rewarding men according to their deserts. We have a minimum wage under which no man's pay can fall. But at least eighty per cent. of all our workers participate in bonuses and rewards according to their individual results. At very great cost we instituted years ago a system which standardized almost every job and every kind of work throughout the whole establishment. We carefully arrived at how much work of each kind should be accomplished by normal effort, and then we fixed a

generous basis of special compensation for everything done over and above that amount.

"The whole thing has worked out excellently for both the men and the company. As a matter of fact, the average wages received by the workmen at Bethlehem are greater than those paid any other set of steel workers in America. I naturally am proud of this fact, because I want every one of my men to have a chance to get ahead, a chance to earn every dollar he is capable of earning.

"I have felt for years that the relations between what is called capital and labor would never be satisfactory and harmonious until workers all over the country were placed on some such basis as this. Workers must feel that they are being given fair play. By devising a system whereby the man who does most gets the largest pay envelope and the laziest man the smallest envelope, you not only overcome one of the drawbacks to most of the general profit-sharing systems, but you convince the worker that it is up to him how much or how little he earns, and that special effort will bring special rewards."

This prompted another question. "You have been represented as stating that a redistribution of wealth was coming—pretty much as advocated by the Socialists. Is that your real view?" I asked.

"Yes and no. I do not for a moment believe that the world is threatened with any redistribution of wealth as advocated by out-and-out Socialists. We are not only going to have, but we already have in progress, a certain type of redistribution of wealth. For example, those who have the largest incomes are now called upon to return to the Federal Treasury two-thirds of every dollar, in the form of income tax. Then there are other state and municipal taxes which increase this percentage. Also, we now have very substantial inheritance taxes. I have not figured it out myself—I have had other things to do—but one of my very wealthy friends recently complained to me that, after paying every kind of tax imposed upon him, he had left for his own use less than twenty cents of each dollar he made. Another very wealthy man has figured that if he wishes to leave his fortune intact to his heirs he would have to work a little over ten years without spending one cent for living expenses during that whole period, so high is his income tax, his inheritance tax, et cetera.

"Unquestionably, the fortunes of those who have inherited wealth and who have simply been living on the income from

their investments are rapidly becoming poorer. Here is one definite form of the redistribution of wealth. The man who is not an active producer, but who is, say, a large holder of bonds, finds himself less well-to-do each year; whereas the producers, the workers, whether employes or employers, are, broadly speaking, becoming better off.

Workers Will Demand and Receive More

"Look at the wages being received today by hundreds of thousands of men employed in producing war materials. Notwithstanding the higher cost of living, many thousands of them are now able to save money as never before. Or they can indulge in luxuries formerly quite beyond their reach, luxuries then available only for the well-to-do or the rich. It is axiomatic that wages, once up, never, or hardly ever, come down. And while we cannot expect to see top-notch boom times forever, and cannot, consequently, expect that wages will always stay where they are now, yet I am convinced that we are entering an era in which the industrious working classes will demand and receive a larger proportion of the comforts, the conveniences and the luxuries of life than at any time in the past.

"Some people fear that revolutions lie ahead in this country as well as in Europe. Revolutions are bred by keeping down the masses of the people, by subjecting them to unfair laws, by stunting their ambitions, by keeping them in poverty. If the leaders of industry are wise they will not fight against the improvement of the lot of workers, but will seek to cooperate with them in bringing about conditions satisfactory to all. Governments must not be, as they sometimes have been in the past, anti-business; for being anti-business means being anti-prosperity.

"The coming movement for social betterment can be, and should be, guided along right channels. Employers more and more are springing from the ranks of labor, and therefore understand labor better than the so-called aristocrats do.

"The employer who in his youth started at the bottom and worked side by side with common laborers and artisans, who daily ate lunch with them on the cinder pile, who swapped thoughts and ambitions and ideas and troubles with them, who lived exactly the life they did, and who was in all respects one of them, knows, when he becomes an employer, the make-up of his men more intimately than is possible for an employer who has never been one of them. The American workman feels a closer bond of sympathy with his boss if that boss at one time

stood exactly where the workman stands, especially if the boss has not forgotten that he was once an ordinary wage-earner at the bottom of the ranks. Every year sees an increase in the number of this type of employer. Employers, too, as a whole, are coming to realize that they must not hold themselves coldly aloof from their men. The employer who gets on best with his men is the one who regards himself simply as a co-worker with them, as one of their own number, but whose duty it is to guide and direct his fellow-workers the very best way he can, so that the results may be profitable enough to enable all to share in them.

"For example, in cases where a difference of opinion may arise between a workman and somebody higher up, if the head of the company has come through the mills and learned the whole business from the ground up he can, as a rule, easily act as a peacemaker, since he can understand both the workman's point of view and the officials' point of view. He understands the workings of the laborer's mind and knows how to satisfy him without sacrificing any fixed principles of discipline or sound business rules. By a little diplomacy, he can usually fix things up so as to satisfy both parties without injuring the self-respect or the enthusiasm of either of them, or without injuring the interests of the company.

"The growth of this type of employer should make it possible to avoid all danger of anything savoring of revolutionary trouble. Where there is full understanding and mutual sympathy, it is not impossible, it is easy, to have amicable relations between employers and employes, especially where all are workers together."

Mr. Schwab Has Proved His Theory

Has Mr. Schwab succeeded in proving his own theory? Read this short paragraph from a speech recently made by Charles A. Eaton, head of the National Service Section of the Emergency Fleet Corporation:

"The appointment of Charles M. Schwab has had an inspiring effect on the men. They appeared to be crazy about him and to regard him as 'one of them.' To hear the shipmen talk you'd get the idea that the big boss was a man who, when he wanted a little change from the monotony of speeding things up, would slip into overalls and drive a few thousand rivets or put in a couple of hours at the brake of a hoisting crane."

"It has been suggested," I said to Mr. Schwab, "that discipline would be impossible under the régime which you were represented as having pictured."

"Without discipline you cannot avoid chaos," Mr. Schwab replied. "The Bolshevism we have seen rampant in Russia is the very antithesis of what I believe will come here if wisdom prevails among the country's leaders, its planners and upbuilders. But there is discipline and discipline. I have found thoughtfulness and consideration more effective than coercion in dealing with workers. I go in for encouraging rather than censuring. If a man does his work well I believe in praising him. If he is not doing his best and I note this fact on going around the works, I simply say nothing; and my silence hurts, because the man knows that I know he is not doing justice either to himself or to me. I am a great believer, as you may know, in giving credit to those who do the actual work. I have always felt that I personally have received more credit than I deserve, but"—here Mr. Schwab indulged in one of his famous smiles—"I may be a little bit like Mr. Carnegie. He used to say he thought one reason the Lord had been so good to him was because he never asked the Lord for anything! Perhaps another reason I have always been able to get along with workers and am not pessimistic regarding the universal movement now under way is that I have been, and still am, a workman myself and feel exactly as they do. The greatest joy of my life comes from mingling with my boys, with the men who work with me—I never regard them as working *for* me. I can enter into their ambitions, I can sympathize with their aspirations, I can put myself thoroughly in their place, because I was in the same place and am still one of them, working as hard as I ever did; and I like to believe that my men all understand this."

He Can Sympathize with the Workers Because He Is Still One of Them

Assuredly Mr. Schwab does understand the American workman. The moment he jumped in to whoop up American shipbuilding he did not order scores of typists, mimeographists or printers to get busy deluging the shipyards and shipyard workers with circular letters. Mr. Schwab, instead of sending them circulars, immediately started to circulate among them himself. He visited Philadelphia one day, Fall River the next, then out to the Great Lakes, thence down to the Gulf—he journeyed here, there and everywhere, traveling mostly during the night, enthusing and inspiring workmen during the day. In his first six weeks as Director General of Shipbuilding he did not spend much more than six days in his office at Washington, or, indeed, in

any other office. He was constantly on the ground, constantly seeing things for himself, constantly showing shipbuilders how to overcome difficulties, constantly mingling with and talking with the men in overalls working on the ways. By meeting the workers face to face he knew how to fire them with enthusiasm.

A recent incident illustrates this afresh: During notable ceremonies at the monster shipbuilding plant at Hog Island, speeches were made to the thousands of workmen by a number of celebrities. They spoke from a platform. When Mr. Schwab was called upon to address the crowd he got up, smilingly looked over the sea of workmen's faces and shouted: "I don't belong up here. I belong down among you boys. I feel more at home among you."

With that he leaped from the platform to the accompaniment of a storm of cheers. He spoke to them as man to man. He told them that they and he were both out to do their best for the country, to do their best to "give the Kaiser the *darnedest* licking any man ever got." Although he had been appointed Director General of Shipbuilding, he could not do anything without their cooperation. He could not build the ships. They could. And if he knew anything about them—and he thought he did—they *would* build ships, enough ships to defeat Prussianism and bring unmeasured glory to the Stars and Stripes.

When he finished, the cheers of the workmen could be heard for miles.

How Production Was Stimulated

It is significant that as soon as Mr. Schwab became head of the Government's shipbuilding program, competition started all over the country among riveters. Each riveter wanted to drive more rivets in one day than had ever been driven before. A Pacific Coast yard would announce that riveter So-and-So had driven close to three thousand rivets in nine hours. A few days later a New Jersey yard would announce that one of its teams had broken the previous record by a comfortable margin. The South would next assert itself with a new high total. Britain would next send a new challenge. It would be accepted and eclipsed. All this was the Schwab spirit.

No employer in America knows better how to inspire men. They know he is "on the level." They know he delights to see workers advance. All his partners were recruited from the rank and file of Bethlehem Steel. The president, Eugene G. Grace, was swinging a crane when Schwab spotted him, and now he is being paid by Mr. Schwab over a million dollars a year, thanks

to the operation of the Bethlehem system of payment for results. No other steel employe in the country is paid anything like this sum.

Mr. Schwab, in reply to my questions, explained that while each workman, each foreman and each department head has his bonus fixed strictly according to the results he obtains, there are certain officials, especially among those highest up, who have to be remunerated according to the general showing made by the company at the end of the year. These officials receive a modest salary and must depend upon the progress made by the company for their extra compensation. If the year's profits are only normal the bonuses received by these officials are moderate. On the other hand, if the plant is swamped with orders and goes on a day and night basis, with every official working all sorts of hours day and night, then, if the earnings are abnormal, the amount paid these officials is abnormal. The theory is that the abnormal activity calls for abnormal efforts, abnormal vigilance, abnormal hours and abnormal strain upon all those responsible for the results. These men, therefore, earn their abnormal rewards. Mr. Grace, as president, is naturally one of those whose share is determined by the company's total net profits at the end of the year.

"The biggest man is the man who can make other men," Mr. Schwab impressed upon me very earnestly. "The fact that I have made a lot of money does not yield me any satisfaction comparable with what I derive from the fact that a great many of my boys have made good in a large way. It is far more worth while to make men than to make money. Take Mr. Grace: he is a greater steel man than I ever was or can hope to be. I am very proud of him. I am proud, also, of the fact that not one of the fifteen young men I selected as partners failed to make good, although there was not one of them occupying a high position at the time the selection was made. They were not chosen at random but only after I had closely watched and studied them and became impressed by the fact that they were bigger than the jobs they were then filling, that they were wide-awake, energetic, enthusiastic and highly intelligent. In no single instance was my confidence misplaced; each and every one of them proved to be an executive of unusual capability."

How A. C. Dinkey was Discovered and Developed

Mr. Schwab is fond of telling how, when he took charge of the Carnegie Steel Works at Homestead, he noted a little fellow

there who carried drinking water to the men. Very shortly the water boy was promoted to clerical duties, and no matter at what hour of the day or night Mr. Schwab made a tour of the works, he was sure to find the clerk at his post—so much so that Mr. Schwab never could learn when the youth slept. When an assistant superintendent was needed, the ex-water boy was selected and when, later, a man of unusual caliber was needed to manage the company's important armor plate department, the executives unanimously agreed that the ex-water boy was the one man for the job. That boy was Alva C. Dinkey, who developed into one of America's foremost steelmasters and a man of great wealth.

"Dinkey," says Mr. Schwab, "won his first steps on the ladder by being always on the job, by not bothering about any clock except the alarm clock, and by doing his duties so well and so thoroughly that his superiors never hesitated to entrust him with things of greater importance."

"There is just as much room today for boys and men of that stamp as there ever was—in fact, even more, because the opportunities are more plentiful and the number of responsible places to be filled is very much greater. Employers are as anxious to find and promote such workers as the workers are anxious to gain promotion. It is easier to get big orders than it is to get big men to fill them. In no other land is the future for earnest, willing, ambitious workers so full of encouragement. In this country the field is larger and more open than anywhere else in the world. Merit alone, not wealth or birth, counts."

Schwab's method of dealing with workers does not breed Bolshevism. He believes that not only can Bolshevism be avoided if Governments cooperate with business men in fostering prosperity, but that a better era is dawning for all those who contribute with either hands or brain to the development of progress and the betterment of mankind. Rich idlers, Mr. Schwab foresees, will suffer a curtailment of their unearned wealth. But, as he believes that everyone should work, he is inclined to think that the ultimate effect will be beneficial even upon the rich idlers, since it will tend to force them to do something useful for a living.

War and Educational Mortality

Reports show that the attendance at engineering colleges has fallen off about 35 per cent. since this country entered the war, and that the graduating classes at many schools were one-half their usual size.

QUALITIES WHICH INSURE A SUCCESSFUL SALESMAN

A Definition of How the Average Man Visualizes Opportunity—
Something Unusual—Something Big—Something Which Comes
to Us Only Once in a Lifetime—What Opportunity Really is and
What Qualities are Embraced in Successful Salesmanship.

WILLIAM R. JONES
of Jones & Baker

I am going to stick to the subject, but I am going to treat it from a different angle than I had originally intended. I am going to treat it from the employer's standpoint, under the heading:

WHAT DOES AN EMPLOYER WANT FROM A SALESMAN?

We are all inclined to think of *Opportunity* as something unusual—something big—something which comes to us only once in a lifetime.

In this connection I am reminded of that famous lecture, "Acres of Diamonds," wherein is told of a man selling his farm to enable him to go to a different country in search of a diamond mine. After years of failure, he returned and found the largest diamond mine in the world had been opened on the farm he had sold.

Another illustration is given in the same lecture—a shipwrecked crew had barely managed to exist in an open boat for days; finally all their fresh water was exhausted, and they were dying of thirst. Some time later they sighted a ship, and were able to get near enough to be seen. Their first request was for water; they were told to let down their buckets over the side of the boat. Only then did they learn they had been in fresh water for days.

So in every-day life, we keep looking into the future for our opportunities, when, as a matter of fact, we live in an ocean of opportunity.

WHAT KIND OF A MAN DOES AN EMPLOYER WANT AS A SALESMAN?

A healthy man—a man's man, neither saint nor sinner—a man with red blood in his veins—a man who lives and is glad he lives—is happy to feel the pulsing life within him—full of energy—enjoying outdoor sports, but not making them the chief object of his life—rather the means of keeping well and strong;

not a cigarette fiend nor a booze fighter—a man who knows that a little is enough and more is too much.

A MAN WITH AN IMAGINATION

That ability to picture himself what he would like to be; that ability to see definitely in the near or distant future the perfect thing he wishes to attain; not a mere hazy longing for the indefinite idea that produces the indefinite action, but a clearly defined object.

A MAN WITH AMBITION

For ambition is that stage between Imagination and Success that has a place corresponding with "desire" in the four stages of a sale, and without which Imagination is useless if we would attain Success. It has been said that "What we ardently desire we soon obtain."

A MAN WITH PURPOSE

That power of converting the ideal into a reality—a man who has come to realize that he is master of his own destiny—that he is a god in the chrysalis—that he is not buffeted by circumstances—that he is not a creature of outside conditions—has ceased to accuse others as the cause of his condition—has ceased to kick against circumstances, but has begun to use them as aids to his more rapid progress—a man who has selected salesmanship as his vocation in life—not avocation—a man who believes—yes, rather knows—that it offers him greater opportunity for mental, moral and spiritual development than any other avenue of life.

A MAN WHO HAS COURAGE

Courage to follow his purpose regardless of the apparent seeming handicaps.

AN HONEST MAN

A man who gives a square deal to Health, Imagination, Ambition, Purpose and Courage—not in himself only, but in others also—and last but by no means least—

A MAN WHO IS WILLING AND EAGER TO WORK

A man who knows what hard work is, and further, knows that all which goes before is as naught without this quality.

Mr. Charles M. Schwab, the world's greatest salesman, says: "The best investment a young man starting out in business can

possibly make is to give all his time, all his energies to work—just plain, hard work.”

That he shall take full advantage of every bit of cooperation on the part of the house to teach him.

The business—that he shall not regard such efforts as unnecessary in his particular case—a man who, if his house does not furnish him a course of instruction, formulates his own and thoroughly familiarizes himself with the history of his house and its policies.

Its history, because he may somewhere, some time, meet a customer who will mention old times and officers that have gone to rest or “elsewhere,” and ignorance of these things on his part may cause the customer to believe he is equally ignorant of other things regarding his business.

The policy of the house in order that he may start right. Every successful institution has a certain fixed policy, and it behooves the salesman to become familiar with it. This policy is the result of experience; it has been worked out, tested and proved, for we are considering only successful institutions. In the main, the policy of the house is right, and the salesman, if he is to progress and succeed, should not acquire the habit of butting in with his stub end will in opposition to the general policy of the house. A salesman, to help himself, should get in line with the house, stand by it, take pride in it, respect it, uphold it and regard its interests as his.

THE EMPLOYER WANTS A SALESMAN TO HAVE AN INSATIATE DESIRE FOR KNOWLEDGE OF HIS GOODS; to learn everything possible about the goods. The libraries are filled with books covering every subject—and his goods among them.

If the salesman is selling something made of metal, he should know how, where and under what conditions the ore from which this metal comes is mined and refined. He should be familiar with the processes through which it must pass before it is usable in its present form. He should know the markets and prices of the raw metal and the various sources of supply. If this metal thing happens to be an adding machine, he should be familiar with the history and development of adding machines, should know who invented them and under what conditions, not merely the machine he has the honor to sell, but the first one that was ever used.

To many of you this may seem unnecessary, but your customers are found among all classes and types, and you do not

know what hour you will meet a customer or prospective customer who may consider such information important, and you may lose the sales because you have not learned that "Success is preparation for the occasion."

AN EMPLOYER WANTS A SALESMAN TO HAVE A KNOWLEDGE OF HIS CUSTOMERS—a knowledge of human nature—not from books, but from actual contact and study—not from a character analysis standpoint, but from a psychological standpoint. He should be familiar with the general actuating impulses of his customers.

THE EMPLOYER WANTS A SALESMAN TO BE A GOOD THINKER AS WELL AS A GOOD TALKER, and to know when to think and when to talk.

THE EMPLOYER WANTS A SALESMAN TO EAT, SLEEP AND DRINK HIS BUSINESS—to associate with successful people—to select as his companions and associates successful salesmen in his own line—and talk shop when he meets them—to study salesmanship on his own time—spend his extra money for books and papers which help him to know more about his work.

THE EMPLOYER WANTS A SALESMAN TO LAY OUT HIS WORK FOR EACH DAY the night before, and not swerve from his purpose to do it—to plan his work and work his plan; to put himself on trial every evening, appoint himself both judge and jury, and find out by rigid questioning and cross-questioning whether or not he has done his full duty that day. If not, make up his mind to do better the next day.

THE EMPLOYER WANTS A SALESMAN TO HAVE CONFIDENCE—confidence in himself, his house and his goods.

THE EMPLOYER WANTS A SALESMAN TO REALIZE THAT THE OBJECT OF HIS CALLS ON CUSTOMERS OR PROSPECTIVE CUSTOMERS IS TO SELL, to remember that a straight line is the shortest distance between two points—to realize that his mission on the firing line is not to reform people's ideas through argument, but to please them and procure their orders; to be able to sympathize with any local prejudice and avoid being surprised at any peculiar characteristics of the customers—to study the art of pleasing in order to be tactful.

The employer wants a salesman to be familiar with the four stages of a sale:

Attention
Interest

Desire
Action

to realize what stages have been passed before he approaches the customer and know enough to pass on quickly to the next stage.

The employer wants a salesman to appreciate the importance of the approach, and favorable attention, for the first few minutes spent in sight or in the actual presence of the prospective customer is ninety per cent. of the sale, and in that time the salesman should have gained an audience and the confidence of his prospective customer.

Head up, shoulders back, and a quick, elastic step give a man a business air; this is the manner in which every prospect should be approached. People like to talk and do business with busy people, and the salesman should always be and appear busy; even sleepy people dislike to do business with sleepy salesmen—not forgetting the smile and the cheery, pleasing greeting.

Sheldon, the father of "Scientific Salesmanship," says: "The mystery of the greatness of great men decreases in ratio with your nearness of approach to them," and "the reason most men do not accomplish more is because they do not attempt more."

ILLUSTRATIONS

I remember while on the road for a dry goods house, a fellow salesman had occasion to ask a retail merchant why he paid one of his salesmen \$2,500 a year and the other one only \$1,000. He was asked to stand by with the merchant and watch the \$2,500 man for a few minutes to see for himself. Soon a gray-haired, well-groomed lady, probably fifty years of age, came in. The salesman greeted her with a smile. She said she would like to look at some dress goods for an elderly lady. The salesman replied: "For your mother, madam?" That subtle flattery immediately won her and she made a most satisfactory purchase.

The next customer was a farmer's wife with a bucket of eggs packed in oats. She said she did not want anything that morning, but would merely take a credit slip. The salesman counted out the eggs, gave her the credit slip, remarked about the weather and then said: "Mrs. Blank, we just received and unpacked some beautiful gingham. I am sure you would like to look at them, and I would like to have your opinion of them. They are some of the prettiest patterns we have seen this year." She bought seven dress patterns before leaving.

A short time ago I stopped at a news counter to buy some chewing gum. I asked the clerk if he had any "Black Jack." He replied: "Yes, sir. One or two packages?" I bought two, smilingly, for I realized he was a salesman.

Mr. Schwab says: "The successful men I have known succeeded because they thought beyond their daily manifest duty. Day in and day out they were doing little unusual things"—not merely hoping that some day the boss or their immediate superior would come and hand them a more important title and a larger salary; they were preparing for that next position—not waiting for it.

The employer cries out for a salesman who will adopt this code of practice and fit himself for larger responsibilities. In addition to this, the employer is constantly looking for salesmen who cannot only do their own work satisfactorily, but who can intelligently direct the efforts of others.

I know I speak for all employers of salesmen when I say:

Oh, if we could only kindle the fire of ambition in the hearts and minds of our salesmen—open their eyes to opportunities which surround them—fill them with a zeal and purpose to attain the object of their ambition; make them willing to pay the price of success in hard work—how much easier it would be to run our businesses and work out our plans for development and growth.

Much has been said about the poor salesman. I wish more might be said about the poor employer; the man or men who bear the whole burden and responsibility of the institution; the men who by some manner of means must provide that weekly or monthly payroll, for salesmen do not usually want to wait for the direct returns of their efforts; the men who spend sleepless nights thinking and planning for the future of their businesses; the men who are constantly searching among their salesmen for men—men of parts, men of ability, men who have demonstrated—to help carry the load and work out those plans for the future which mean many times more to the salesmen than to the employer.

Why Children Leave School Early

The Federal Bureau of Education, in a recent report, discussed the question of why children leave school, and after treating the desire to earn money and the wish to learn a trade as

causes, presented dissatisfaction of the children with the school as the most important cause of the withdrawal of many.

"Dissatisfaction is the dominating factor in school leaving," said the report, "and probably accounts for at least 50 per cent. of the withdrawals. It takes many forms. Very often it is due to the inability on the part of both parent and child to realize the value or necessity of further schooling. Many parents believe that the experience gained in some of the common occupations of children is more useful in the preparation for the earning of a living than that gained in the ordinary elementary school. In many cases this is true and, as investigation has shown, age and work experience are the determining factors with the younger employees rather than school experience.

"Dissatisfaction is sometimes due to a personal dislike to the teacher and to other trivial matters, but by far the most conspicuous source is backwardness, or inability to keep up with other children of the same age. Some of the pupils, of course, are backward because of starting late, but it is evident that a larger proportion of the children fail to keep up with their classes, which necessitates a repetition of the work.

"The solution of the backward-pupil problem, therefore, should go a long way toward solving the school-leaving problem and at the same time stop one of the most wasteful leaks in the educational system. The loss involved in repeating instruction to backward children amounts to a sum large enough to warrant the expenditure of large amounts in an effort to find the cause and to make adjustments necessary to reduce the waste to the minimum."

The report suggested that the remedy for the school-leaving problem should provide for remunerative employment for children while attending school, a change in the educational methods aiming to vitalize school work and thus make school more interesting and retardation less common, and the establishment of continuation courses for children who must leave school. The effort to vitalize school work should center, according to the report, about concrete occupational training.

Safety an Educational Problem

C. W. Price, Field Secretary of the National Safety Council, in a recent address said: "Education of the workingman has prevented about 86% of the accidents usual in certain plants. About one-third can be controlled by mechanical provisions. The manager and superintendent of a plant must believe thoroughly in the safety-first movement. Foremen also must uphold it."

OFFICE TRAINING AT THE R. H. MACY DEPARTMENT STORE

A Description of the Instruction Given and the Philosophy Which Is Back of the Training—This Store Has Found That Education Is Necessary to the Success of Its Business—Ultimately the Management of Every Department Store Will Reach the Same Decision—The Information Here Given Will Prove Helpful.

Introduction

Department store training is many-angled. It may be compared in its complexity to the numerous branches of specialized training necessary for the adequate preparation of the inhabitants of a city, progressive in its industrial, commercial and financial activities. To such a city one may without reserve compare a department store of the type of R. H. Macy & Co., with its extensive and modernized telephone and alarm system; electric light and power plant; water and sprinkler systems; corps of skilful painters, carpenters and mechanics; efficient body of detectives and store police; with its elevators, escalators and intricate conveyor system; extensive delivery system; post offices both for interior and public mail service; telegraph and express office; railroad and theatre ticket office; with its banking department, advertising department, training department, library, clubs, reception room and rest rooms, hospital, dental parlor, chiropody parlor, public restaurant and employes' lunch rooms; with its selling departments numbering over one hundred where nearly every commodity purchasable in a city may be obtained, and with its departments manufacturing from the most stylish hats to the highest grade mattresses, from the most delicate perfumes to the purest and tastiest candy. In fact, the transportation, selling, public service and manufacturing facilities of such an organization can be found only in the most up-to-date cities.

Training in such an institution has a scope which rivals that of the public and business schools. Public and business school training is always general. Institutional training is highly specialized. Specialized training increases in complexity in proportion to the complexity of the business in which it is introduced. What business is more comprehensive and complex than the department store business?

Pre-employment Tests

In order to establish a minimum standard of education for those entering the employ of R. H. Macy & Co., it has been

found necessary to give tests for mentality, involving simple problems in arithmetic and questions for the purpose of testing the ability to use the oral and written word. In addition to mentality tests, tests for vision are required of the following classes of applicants:

1. Section Managers
2. Stenographers
3. Comptometer Operators
4. Dictaphone Operators
5. Typists
6. Receiving Clerks
7. Entry Clerks
8. Merchandise Checkers
9. Merchandise Markers
10. Cashiers
11. Salesclerks
12. Drivers
13. Wagon Boys
14. General Clerical Workers
15. All Juniors

Tests for color are required only of those who apply for work in departments where recognition and matching of colors is essential.

The next and last test which the applicant must undergo is the physical test, which is given about two weeks after employment. Applicants are rated as good risks, fair risks and poor risks. Poor risks are not retained. Fair risks are given medical attention with the purpose of improving their condition.

Mentality tests vary slightly in accordance with the work which is to be undertaken. For instance, the test exacted of a comptometer operator, in general dexterity, is similar to that exacted of a typist, as both classes of work require the ability to copy rapidly through the touch system. However, these two classes of work differ in general knowledge; the former involves a knowledge of figure combinations while the latter involves a knowledge of letter combinations.

In comparing the requirements of stenographers and typists, it is evident that the stenographer must have all the requirements of a first-class typist plus the ability to take and transcribe dictation at a given rate. Likewise, the dictaphone operator is a typist with the additional ability to transcribe the oral word as reproduced by the dictaphone.

Tests should be carefully applied to each class of applicant.

Even in the case of the same class of applicants, different tests should be administered, if necessary. For instance, the test required of a salesclerk in a yard goods department should be more difficult in arithmetic than the test required of a salesclerk in a Cloak and Suit Department where fractions and decimals will rarely be met with. On the other hand, in the Cloak and Suit Department the ability to express thoughts fluently is more essential. The last mentioned example is given to emphasize the fact that the same test should not be given for different grades of the same work.

As a result of these tests, it is possible to install training classes to develop employes from a fixed minimum standard of education to a higher standard. Were tests not administered, there would be no means of knowing where training should begin, as the general education of employes might vary from a very low standard to one which is desirable. Under the test system only the desirable applicants are employed. The Employment Manager, after carefully examining the applicant for general appearance, suitability for the position and recommendations, sends the applicant to the Department of Training for mentality, vision and other tests. In case the applicant fails to pass the tests, although the recommendations are satisfactory, he is rejected. Failure to pass the vision test means that the applicant is rejected until his vision is made normal by the use of suitable glasses. In case the applicant's vision is beyond adjustment to normal, the test is final.

Preparatory School

The primary school of R. H. Macy & Co. is its Continuation School where a rather fundamental knowledge of arithmetic, spelling, reading, local geography and hygiene is given. These subjects are presented in a manner which shows their applicability to business.

This school is located one-half block from the store. Here students of both sexes from fifteen to twenty years of age spend two hours, each morning, from nine to eleven o'clock, except on Mondays. The duration of the course is three and one-half months, giving each student about one hundred and fifty hours of instruction. The time allowed for study, namely, two hours each morning, is not charged against the students' salaries. In other words, training at R. H. Macy & Co. is on store time and at store expense.

This course includes several bus trips about town to give

the students a working idea of the city; also it includes talks by store executives and instructors on current political and business subjects.

Graduation exercises are held at the completion of the course at which time diplomas, class pins and prizes for exceptional standing are awarded by Members of the Board of Education and store officials. After graduation these students are urged to join the Alumni Association of the Continuation School which holds business meetings and recreational activities the first Saturday night in each month. These meetings tend to stimulate a desire for further study and to bind the graduates closer in the friendships formed at the School.

Training School

The Continuation School acts as a feeder to the various branches of training. The graduates of this School and others who have had an equivalent education are allowed to decide for themselves whether they are to become salesclerks (called "productives") or office workers (called "non-productives"):

I. To those who choose retail selling, very carefully planned courses are offered, by our Junior Training Class, in salesmanship, store organization, store system, color, diction, advance arithmetic, display, store directory, personal hygiene, and demonstration sales. At the completion of this course, an opportunity is offered the students to choose either textile selling or non-textile selling. To cover these two divisions of retail selling, we have a Senior Training Class in Textiles and a Senior Training Class in Non-textiles. These courses include trips to mills. Graduation from these classes is followed by the formation of clubs, organized for the purpose of further study along specialized lines. The graduates have at their disposal a technical library and instructors who continually follow up their work on the selling floors. Advanced instruction is offered to those who show ability, interest and initiative. Such employees finally become Heads of Stock, Assistant Buyers, Buyers and Merchandise Managers. Since the purpose of this article is not to describe the training of productive employees, this, our most important branch of training will not be dealt with at greater length.

II. To those who choose office work the following training is offered?

1. Comptometry
2. Dictaphone Operations

3. Bureau of Investigation Tracing
4. Receiving Clerk's Work
5. Entry Clerk's Work
6. General Clerical Work (Filing, Sorting, etc.)

1. Employees desiring to take up comptometry must first pass a rather difficult test in arithmetic, dealing especially with fractions, decimals, denominate numbers, percentage and interest. As numbers cannot be handled in fractional form on the comptometer, the operator must be able to write fractions in terms of decimals without hesitancy. In case the applicant fails to pass this test and is considered eligible for the work he is given the opportunity to coach with an instructor, in this subject, until able to take the test successfully. Classes in comptometry are held every afternoon from 3.45 P.M. until 4.45 P.M., under the instruction of an experienced operator who is well fitted for this work because of her ability to impart knowledge. Comptometry as applied to department store work not only involves the ability to operate the machine but also involves the ability to turn sales-checks and other forms simultaneously. This course continues throughout the year. Those students who have shown themselves proficient, graduate, while those who need more time continue to study and practice. It usually takes three months to train a fair operator. As promotion depends on the skill shown, in the classroom, students are anxious to become proficient.

2. Employees desiring to become dictaphone operators must take a test in typing. Up to the present time the Department of Training has not seen fit to give courses in typing; however, arrangements with public schools and other schools are made **for the training of those employees who desire to follow this line of work.** It is the Department's policy never to duplicate the work of the Evening Schools except where absolutely necessary. The operation of the dictaphone is merely a matter of practice, once the student is a good typist. Training is given by our supervisor of Correspondence at suitable hours during the day.

3. Employees desiring to become Bureau of Investigation tracers are offered a course including store system, store directory, and store policy as required in good complaint tracing. After a two weeks' course in the above-mentioned subjects the students are assigned to skilful tracers, who give them a practical idea of the work. Students continue to work under supervision until they show that they are able to work on their own initiative. Tracing requires an analytical mind and a very thorough knowledge of the subjects taught.

4. Employees desiring to become receiving clerks must first of all have or learn to have a very legible handwriting. The course offered consists in teaching the applicant the use of the various forms to be met with in his work. He must learn to read railroad and express documents and manufacturers' invoices intelligently, in order that a proper record may be made of all articles received in the store. He also must know where to send each article in case the department numbers and other necessary information is omitted on the invoices. This requires an accurate knowledge of the store directory. In addition to this, a course in denominate numbers is very essential. After a few days of this training depending on the rapidity with which the applicant grasps the work, he is sent to the Receiving Platform where he works under the supervision of an instructor who teaches him the numerous details connected with the work.

5. Employees desiring to become entry clerks must have or learn to have a very legible handwriting. The course offered consists in teaching the applicant to read intelligently the different kinds of address tickets on all the packages leaving the store through the Delivery Department, in order to make a proper record of them. This involves a limited knowledge of store system and a thorough knowledge of delivery rules and regulations. After a short period of training in these subjects in conjunction with actual packages and forms, the applicant is sent to the Delivery Department where he works under the supervision of an instructor until he becomes thoroughly familiar with the details of the work.

6. Employees desiring to take general clerical work, where no special amount of skill in any line is necessary except the skill acquired by practice, are put to work with an employee who is thoroughly acquainted with the work and who is able to instruct the beginner without allowing bad habits to develop. Under the heading "general clerical work" comes filing and sorting. In this work special instruction is given by our Supervisor of Correspondence.

In addition to the above there are many other branches of specialized training: Section Managers, Drivers, Wagon Boys, Elevator men and women, Lense Grinders, Stationery Stampers, Furniture Polishers, etc.; however, as these are not classified under office work they will receive no more than mention.

In brief, institutional training should begin at a fixed minimum standard of elementary education. To this education should be added instruction applying elementary subjects to business.

From this stage, specialized training may begin. Training begins with generalities and as it progresses becomes more and more specialized.

It is Macy's policy that those who have been trained in her methods shall be awarded the higher positions and that the lowest vacancies caused by such advancement shall be filled by employing young men and women without special training. It is this policy that makes training an essential.

Although training is the pass-word at Macy's, still let us realize that it is only in the primary or experimental stage. Nothing will check its progress toward an even higher standard.

NEW MEMBERS

Since the last statement appearing in the *BULLETIN* the following new members have been received.

Class "A"

Gas Defense Plant, Long Island City, N. Y., Alton L. Wells.

Class "B"

Carnegie Steel Company, Braddock, Pa., R. D. Abbiss.

Class "C"

The Old Bleach Linen Co., Randalstown, Ireland, W. H. Webb.

NEW BOOKS WHICH MAY INTEREST OUR MEMBERS

"Bookkeeping and Accounting." A complete course by Joseph J. Klein, Ph.D., C.P.A. Published by D. Appleton & Company, New York. Price, \$1.25, cloth, net.

This book contains an introductory course in bookkeeping principles and practice, taught by a new, straight-to-the-point system. The theory of bookkeeping is taught first. In a clear, logical way the student is given an understanding of the nature and function of accounts and is taught to apply his knowledge in double entry bookkeeping. All tedious routine and duplication is eliminated and the subject is made simple and interesting from the start. This text is radically different in plan, scope and method from any book yet published in this field, and the book may be studied with or without the aid of a teacher. This book will be followed by another to be known as the Advanced Course. The two books are intended to form the basis for the teaching of bookkeeping and accounting. For those of our members who have instituted office work training no doubt these two books will be found of value in their library, and for text-book purposes.

NEWS ITEMS ABOUT OUR MEMBERS

Notwithstanding the War There is Steady Progress Along the Lines of Correlating Under One General Division all Personnel or Employe Relation Activities—The International Harvester Company and The American Rolling Mills Company are Leading the Way—Pittsburgh Chapter Arranges a Vigorous Program for the Coming Year.

Arrangement of Sub-committees and Their Work

It will be recalled by readers of the BULLETIN that this year, because of the large number of the active members of our Association who are in Government service in one form or another, it was decided to ask each member which of the sub-committees he would be willing to serve on and as this request went out in vacation time, there has been some delay in arranging the new committees. President Rowe has the matter in hand however, and the list will be published in the November issue. It is probable by that time all of the sub-committees will have their assignments well in hand. President Rowe plans to have a meeting of the chairmen of the sub-committees early in October at which time the work each committee has to do will be discussed. It is his plan to have another meeting of the chairmen of the sub-committees in February, at which time the character of the reports to be made will be determined.

International Harvester Company Inaugurates Industrial Relations Department

Mr. Cyrus H. McCormick, President of the International Harvester Company, announces the appointment of Arthur H. Young as Manager of the Industrial Relations Department of that company. This is an interesting development worked out by the International Harvester Company and will be of interest to all member companies in our Association. It is the first or second well thought out plan for consolidating all employe relations in one department and under one head. The American Rolling Mills Company at Middletown, Ohio, have worked out a similar plan with Mr. Charles R. Hook, Operating Vice-president in charge of the department. The term Welfare Department will be discontinued. Mr. Young will cooperate closely with H. F. Perkins on labor matters, and with G. A. Ranney on what were formerly termed welfare matters.

Mrs. Carolyn S. Davison, secretary of the Industrial Rela-

tions Department, will report to Mr. Young and will continue to have a special relation to all subjects affecting the employment of women.

The Industrial Relations Department will have general supervision over the Chief Safety Inspector and the Industrial Accident Department.

Mr. Young comes to the Harvester Company after many years of active service with the Illinois Steel Company at South Chicago, and later as director of the American Museum of Safety of New York City.

Methods of Training by Financial Institutions

The Chase National Bank of New York City calls attention in its house organ to the opportunities open to young men and women to learn more about the business with which they are connected. In all fields of work there are two forces available, namely: experience and the literature of the trade or profession. In the banking business there is a third, the American Institute of Banking, which has Local Chapters. The course supplied by the Institute, however, is supplemented by an Educational Department, which the Chase National Bank is developing, and for which a director has been chosen and the work inaugurated, but military service called, and the director answered; therefore, the work for the time being is delayed. It is quite probable that all of the larger banking institutions ultimately will develop an educational or training division, which will be closely allied with the Employment Department, and in this movement the Chase National Bank has taken a leading position. The educational institutions of New York City are also relied upon, as in the case of the Guaranty Trust Company, which draws in its educational and training work from Columbia University, New York University and the College of the City of New York. Most of their courses are conducted by professors from these institutions.

Educational Training Among the Textile Workers of the South

Recently there was a two days conference at Atlanta, Georgia, on the question of vocational training with special reference to textile mills. The result of the conference was the adoption of a resolution to the effect that every institution requires the establishment as rapidly as possible of a comprehensive program for the vocational education of textile workers.

The convention also asked the Federal Board to undertake at once an investigation leading to the establishment of practical experiments in the training of textile workers to meet the needs of the workers and the industry and that this study be undertaken in cooperation with the state boards for vocational education in the southern states where mills have been established, and with the American Cotton Manufacturers' Association and affiliated state associations.

It was also requested by the conference that the investigation result in the establishment of at least one scheme of training for textile workers in each state; that as soon as possible after the establishment of these training projects, a report be issued by the Federal Board for vocational education which shall give special attention to the schemes which have been established as a result of the investigation.

Resolutions were also adopted looking to the correction of certain inequalities in the apportionment and distribution of Smith-Hughes Federal funds.

Dr. Charles A. Prosser, on behalf of the Federal Board of Vocational Education, stated immediately after the adoption of the main resolution, that the board would act at once and that its study of the subject would not be a philosophic discussion, but as practical as it was possible to make it.

The movement has already been linked with our Association through the membership of the Victor-Monaghan Mills of Greenville, South Carolina, and in other southern cities. L. P. Hollis, the class "A" representative of our Association, was one of the leaders at the conference, and is entitled to much credit for developing this movement on behalf of the textile workers of the south.

How the New York Edison Company Employs and Promotes

BY ARTHUR WILLIAMS

General Commercial Manager

(An Interview in *The New York World*)

As a result of years of effort on the part of the New York Edison Company given to the development of a plan of employment and promotion, three of the most important conclusions which have been arrived at, are, that it is absolutely essential that the employment and promotion of the employe should not be haphazard; that promotion should not be acquired through pull; and that there should be equality of opportunity for the develop-

ment of every employe and equality of reward according to the development of every employe.

One of the biggest problems confronting industry today is "men," namely all workers who make up the organization; from the office boy and the stenographer to the president.

Employment and promotional plans should all have for their ultimate aim the proper selection, training and advancement of the employe. For promotion and growth are the very life of a business institution.

In the New York Edison Company vacancies are filled from the ranks. Making promotions or transfers involves a big question.

If we have an employe in our plant capable of filling a better job, we give him his chance regardless of how well he may be performing a particular task. For the happy and satisfied worker is an asset to the company whose interests are best served when the individual is allowed to grow and develop. The returns will be mutual.

To solve the question of promotion and transfers the New York Edison Company has devised a plan of keeping a personal record of each employe.

The records are kept by an assistant to the manager of our bureau of education who has charge of employment for his division of our company which includes sales and handling of all matters pertaining to our relations with the public.

The record shows the employe's age, education, time in the service of the company, history of such service, history of work done before entering the present employ and condition of his health.

It records his accomplishments in educational courses, tardiness, absences, attitude of individual toward his duties; whether prompt, accurate and the amount of supervision he requires; whether he works well with other employes; whether ambitious, willing or adaptable; whether he possesses executive ability; whether sufficiently adapted to his work, and sufficiently trained to render acceptable service.

Often the record may indicate the fitness of the employe for a better position. To a large extent it registers his native ability.

We have had our system of records in use for five or six years and have found that when conscientiously compiled, the record will reflect a fair picture of the individual employe's characteristics and general worth.

Our managers must be exceedingly liberal, fair and un-

selfish regarding the question of transfers and promotion, for upon it depends the personality and spirit of our whole organization.

There are 3,000 corporations in the United States. The time will come when they all will have adopted scientific methods of promotion and development, and the personal side of their businesses will be as scientifically conducted as any engineering enterprise.

Loyalty as the Basis of Success

The following extract is taken from the Educational Course of the Bell Telephone System. The entire Course deals with matters pertaining to the Bell System, and with the employe's relation to the service. The lecture from which the quotations are made relates to the latter subject: "The Employe's Relation to the Service":

He who is waiting for something better to turn up is a liability both to himself and his associates, but he who strives for advancement is an asset, of equal value to himself and to the company.

Knowledge of the machinery and the organization of the company is very necessary in the preparation for larger activities and for enabling us to defend at all points any criticism of company policies, organization and methods which may be made to us individually.

The development of our own personal success will be identical with the success of the company in the accomplishment of that end for which we are striving. With this fact in mind, remember that when we want advancement we must know what line of action we desire, that we must know what the requirements of that activity are, and that we must know whether or not we are qualified to fulfil them. We must not take stories of success told by others as gospel truth, but by careful study and thought, KNOW the real value of our work, so that when we desire a change there will be no question in our minds or in the minds of others but that we are prepared for the step proposed.

The company is watching the efforts of those who try, and the Educational Plan is a helping hand reaching out to assist us in advancement. There is one warning which every person must intuitively recognize, and that is that "getting into a rut" first dulls, and then deadens, all ambition.

The greatest incentive for ambition and ultimate success is

loyalty, which in its truest sense is not directed to a person or to a company, but is directed to the accomplishment of a definite thing worth while, with the abiding assurance that our utmost satisfaction lies in the accomplishment of this definite thing, and with a persistent effort for its accomplishment. This true loyalty cannot exist without thorough cooperation with all others who are loyal to the same purpose, whether they are on a higher or lower plane of activity than ourselves. All our efforts in the telephone business, therefore, whether we be members of the employe or management arm of the organization, should be toward the accomplishment of that definite thing worth while: "One System, One Policy, Universal Service," which shall be the very best possible service to the public.

While the educational scheme is planned to be of direct benefit to the employes of the company, it must be remembered that it is not sentimental philanthropy in any sense, but is a logical business expedient intended to ultimately benefit the whole company and improve the service to the public. It is expected that the benefit derived by, and the loyalty and ambition inspired in, each individual will be very materially reflected in the benefit to the company, in the higher efficiency resulting in the entire organization. It is realized by the management that there is as much need for loyalty to the workers on the part of the executives as there is for loyalty to the cause by the workers themselves. One of every executive's chief duties is to study and understand each of his individual workers and direct, lead and encourage them in their work. It is equally important that the individual employe should study and understand his superior, because "it is only by trying to understand others that we can get our hearts understood."

The plan is intended to work out a balance between the management and the employe arms of the company, which requires that each cooperate with the other, and that the management do all in its power to place the employes on a better and stronger footing by giving them, in explanatory form, written standards for the guidance of their efforts, and knowledge for the building of their own ideals for the betterment of the whole telephone scheme, which will result in a greater strength in the company itself. It will show where the loyalty of the individual is the stronger by the results which he accomplishes in this work, as well as in his daily occupation, and will by the establishment of his efficiency record insure the success which his merits warrant.

Such a plan enhances the scheme of cooperation between the management and the employes, and is designed to bring out the very best there is in each individual, and thus make the company as a whole more efficient in furnishing that service to the public, which is but the persistent, ever-present desire to do the right thing in the right way always.

None but Loyal and Able Men

The *Harvester World*, the house organ of the International Harvester Company, a class "A" member of our Association, gives this patriotic and wholesome advice to its great army of employes:

Politics in ordinary times, is nothing at all in the life of *The Harvester World*. But these are not ordinary times; they are times that demand of us all the most and the best we can do or give toward the supreme business of winning the war.

One of the urgent and immediate patriotic demands of these times is frankly political—the demand that none but loyal and able men shall be nominated for Congress this year by any party.

You should all, therefore, be and declare yourselves to be in politics for the purpose and to the extent of endorsing and aiding the National Security League's campaign in this respect. All good *Harvester World* readers should lend their attention and effort to the vital business of naming as candidates for the next Congress only men of unquestioned loyalty, clear minds and sound hearts—should enlist themselves individually in putting on the ballot in each district the best men each party can produce.

There is no need to argue here upon the tremendous problems, both internal and external, that must be solved by the next Congress, nor about the effect of these decisions upon the well-being of the country and all its people. Obviously there should be in the legislative branch of the Government a wisdom as strong and a patriotism as stern and unbending as in the executive branch. One end of Pennsylvania Avenue must be as far-seeing and intensely loyal as the other.

The power to produce a war-winning Congress lies solely in the Congressional districts. If a weak or a bad man sits in the next Congress—a stupid man, a mere self-seeker or a shifty, sneaking pacifist—the blame will be on his district. And it will be heavy blame, for even one such man in such a place is capable of infinite harm to the Republic and its great cause.

The first place and the best means to prevent calamity of this kind is at the primaries. There are plenty of loyal and able



Americans in each party in each district, who will run for office, if their fellow citizens ask it in the name of America and her brave soldiers and for the sake of the early victory that means early peace.

It is the pressing patriotic duty of every American citizen in every Congressional district to make this matter his personal business—to work and to vote at primaries and at elections to defeat every candidate for the National Senate or House who is a pacifist, a shifty politician, or a man of doubtful loyalty of whatever stripe.

Get busy, then, with this important business, and get your friends busy. The nation needs and asks this service of citizenship; the nation's gallant young crusaders are entitled to it.

Meeting of Pittsburgh Chapter

Those present were:

Chairman C. S. Coler, Westinghouse Electric & Manufacturing Company.

Mr. John McLeod, Carnegie Steel Company.

Dr. J. B. Miner, Carnegie Institute of Technology.

Mr. J. E. Banks, American Bridge Company.

Mr. J. C. Campbell, Youngstown Sheet & Tube Company.

Dr. F. M. Leavitt, Board of Public Education.

Mr. F. W. Hyle, Mesta Machine Company.

Mr. P. E. Wakefield, Carnegie Steel Company.

The purpose of the meeting, as announced by the chairman, was to make plans, in a broad way, for the work of the Chapter during the coming winter.

It was decided that:

(1) Because of present conditions the activities of the Chapter should be concentrated on those subjects that are of the most essential interest to the members.

(2) The work of the several Sections of the Chapter should be coordinated as much as possible by adhering closely to the suggestions for organization that are outlined on the attached sheet.

(3) The following Sections should be organized:

Employment Plans, enlarged to include the problems of housing that are of the most importance to employment work.

Trade Apprenticeship, because of the rapid strides that are being made in the development of special and intensified training courses.

Unskilled and Semi-skilled Labor, because of the impor-

tance of the work in Americanization and training of unskilled laborers.

Public Schools Relations, because of the rapid developments in part-time training, and the necessity for a greater degree of cooperation between the public and the corporation schools.

(4) The following Sections should be abandoned until the present conditions due to the war are changed:

Technical and Executive Training
Social Economics

(5) That each of the four sections that are to be continued should hold an organization meeting this month. The organization is to be made along the lines suggested in the attached sheet. Announcements of this organization meeting are to be mailed to all persons on the attached mailing list who might be interested in the work of these several Sections. The organization of these sections is to be in the hands of the Chairman and Secretary of each section.

Western Union Telegraph Company Promotes an Interesting "Personnel Relations" Experiment

Recently an effort was made to unionize the employees of the Western Union Telegraph Company. The employees of this company have not been unionized and the policy of the company was against such action, due largely to opposition to the strike. The company, however, encouraged its employees to form an association and helped to promote a convention in Chicago which was attended by representatives elected by the employees without dictation or inference on the part of the company. The convention met, adopted a constitution, elected officers and proceeded to the organization of local sections. The convention went on record as favoring the principle of arbitration and as opposing the strike. The representatives assembled expressed the belief that all the benefits of collective bargaining when both parties to the agreement have hoped to conclude a deal with each other in a spirit of complete sincerity. The movement did not have an opportunity to develop prior to the taking over of the company by the Government for the period of the war. It will be interesting to watch the progress of this movement and of especial value should it ultimately be determined that the employees of a large industrial corporation can secure to themselves all of the benefits of collective bargaining without resorting to the strike or other form of strife as between the company and its employees.

NEWSY NOTES

Harold F. McCormick, one of the leading officials of the International Harvester Company, recently entertained the Harvester Club at his palatial country home. President and Mrs. Cyrus H. McCormick joined the party in the afternoon, and also had the Club visit their home which adjoins that of his brother. There is nothing that is more conducive to understanding and good will than the occasional fraternalizing of the officials and the rank and file.

The Commonwealth Steel Company, through its house organ, *The Commonwealther*, continues to publish the state addresses of President Wilson, that all its employes may be kept thoroughly advised of the attitude of our country in the great war. President Howard of the Commonwealth Steel Company was one of the American captains of industry who declined war orders while our country remained neutral, but the President and the Government has had no more faithful and loyal followers than President Howard and the Commonwealth Steel Company since the entrance of the United States into the war.

The one-millionth rifle manufactured by the Midvale Steel & Ordnance Company, under its war contract with the United States, will be presented to President Wilson. The rifle is being manufactured now, but it will not be presented to the President until 1,000,000 rifles have been accepted by the Government, as they are each numbered.

The Pyrene Manufacturing Company, a Class "A" member, would be glad to learn of any successful plan that would tend to reduce tardiness and absenteeism on the part of employes in the manufacturing plant. It is possible that some of our members have worked out a bonus plan, or a graduated bonus plan, that has met with success; if so, will they kindly communicate with Mr. H. W. Chapman, Pyrene Manufacturing Company, 410 East 32nd Street, New York City.

Vocational Education for Southern Textile Workers

Representative cotton manufacturers of the South recently held a conference in Atlanta with members of the Federal Board for Vocational Education to devise ways and means by which

national aid as provided under the Smith-Hughes Act may be taken advantage of by mill operatives and owners through raising the standard of labor and providing more intelligent, skilful workers.

The conference was called by the Southern Commercial Congress. Judge Robert W. Bingham, of Louisville, President, presided. Senator Hoke Smith told of the creation of the Federal Board for Vocational Education and its powers, calling for a round table discussion as to practical methods in getting results. Lively interest was shown in the discussion all day. Dr. C. A. Prosser, director of the Federal Board, was in charge of the talk. Chairman Bingham appointed a committee of resolutions.

Resolutions were finally adopted emphasizing the sentiment that every consideration requires the establishment as rapidly as possible of a comprehensive program for the vocational education of textile workers. The convention also asked the Federal board to undertake at once an investigation in leading establishments of practical experiments in the training of such workers, and that the investigation result in the establishment of at least one scheme of training in each State.

Giving a Helping Hand to the Industries of France in Their Hour of Need

PARIS, August 1, 1918.

DEAR MR. HENDERSCHOTT:

It was not until I returned from a long trip with a number of your compatriots that I received the three fine volumes of the proceedings of The National Association of Corporation Schools which you have so kindly sent me. I appreciate most heartily your success in getting them to me, despite present postage difficulties.

I have not yet had time to read them, but I have already found most interesting information on railway apprenticeship. The problem of technical instruction is becoming an increasingly urgent one in France, but the war prevents people from directing their energies toward anything new, things of more immediate importance claiming the attention of those who would otherwise be interested.

I hope to succeed in sending you from here a class "A" membership from the French Government railroads, to be represented by M. Mazen, director of transportation and equip-

ment (?), who is greatly interested in the subject and will do his utmost to obtain authorization of such a membership from the general management.

For the present our apprenticeship school is getting along satisfactorily in spite of the difficulties created by the war. I have actually more than 800 apprentices and I have instituted a correspondence course for the more advanced workmen. I have enrolled in this some thirty young fellows who are entirely capable of profiting by it and who will later, I hope, become superintendents and foremen. But we begin earlier than you do, our apprentices usually entering at 14 years. As a matter of fact, about 15% of the locomotive repairs on our line are the work of groups of apprentices from 14 to 17 years, under the direction of an instructor in charge of ten apprentices. Under this system the apprentice is obliged to take up every phase of the work, and although the explanations of what he must do take time and trouble, a good workman is the more easily created. Apprentices who finish their third year of apprenticeship are proving much more competent than the workers whom I hired directly before the war at the conclusion of their military service—that is, at about 24 or 25 years of age.

I give you these details in order to show you that in all the difficulties created by the war we are not neglecting the subject of apprenticeship. In fact, we hope to make even more progress when we are in a position to make use of our graduate apprentices as instructors.

I am almost constantly traveling with your compatriots, Gen. Atterbury, Col. MacCrea, and the superintendents of the various American lines. The arrival of the American troops and the supplies necessary for the American army organization in such great quantities is, for us, a crushing burden which has temporarily overwhelmed us, but the arrival of the American railway equipment is going to speedily reestablish the balance.

It is unnecessary to tell you how harmoniously we work, with a spirit of intense cooperation; that our relations are the most cordial possible, and that we can only congratulate ourselves on our close relations with the American authorities.

If, among the personnel of the American railway service in France, you know of any members who are especially interested in the apprenticeship problem, I would greatly appreciate it if you would mention their names so that I could make their acquaintance. This would be easy for me, as I am frequently in the neighborhood of the headquarters of the American railway

service at Tours, and I travel very often over the lines in use by the American railway transports. I am

Very truly yours,

M. LACON.

P. S.—I have this moment received the 1915 and 1916 Proceedings which complete the first set. They are full of useful information.

New Work-and-Study Plan

President W. H. S. Demerest announces that, beginning on September 16, Rutgers College would offer courses in civil, electrical, and mechanical engineering whereby students may attend college for two weeks, and then work in factories for two weeks, alternating throughout the year. While working they will receive standard wages, and while studying will receive credit for the subjects pursued. The courses will run throughout the year, with a week's vacation at Christmas and two weeks in the Summer. At the end of five years students will receive the degree of Bachelor of Science.

The new courses are the result of appeals on the part of manufacturers in and about New Brunswick, and have been inaugurated as a war measure.

Government to Aid in Training for Foreign Service

Some additional details of the plan launched recently under the auspices of the United States Bureau of Education for encouraging the training of men for foreign service has been announced. An advisory council to the committee appointed to expand the program has been appointed: Cyrus H. McCormick, H. K. Mulford, Arthur T. Hadley, J. A. McGregore, John Hays Hammond, Charles M. Schwab, John H. Rosseter, Edward K. Graham, F. W. Taussig, Benjamin Ide Wheeler, Frank V. Thompson, and Dr. Joseph French Johnson. The work will be under the direction of P. P. Claxton and Glen Levin Swiggett.

"It is hoped that out of the ideas which are being presented by the committee," said Mr. Carter, "a very practical course of instruction will be found and put into practice. There are on the committee men who have had to deal with all varieties of foreign business and who know what the requirements are for doing the right thing. They will give their experience of these requirements, and the professional educators on the committee will be able to work out the practical technique of training men in the requirements."

ONE PEACE PREPARATION

President Wilson wrote the other day about the tremendous importance of public education among those tasks that we must take up after the war. It ought to be first among those tasks. There is no limit to it. With intelligent direction no sum that the people of the United States spend on education would be ill invested.

Everybody who is sufficiently interested in the subject to know anything about it knows how far short of a rational ideal we now fall. Anybody who is not interested in this subject is a poor citizen. We wish to see it talked about in billions. We wish to see it a primary interest of the Federal Government.—*Saturday Evening Post*.

POLICY AND FINANCE COMMITTEE

ARTHUR WILLIAMS, *Chairman*,
General Commercial Manager The
New York Edison Company.

CLARENCE H. HOWARD, *President*,
Commonwealth Steel Company.

DR. JOHN PRICE JACKSON,
Commissioner of Labor and In-
dustry of Pennsylvania.

A. A. ANDERSON, *Secretary Educa-
tional Committee*,
American Museum of Safety.

N. F. BRADY, *President*,
The New York Edison Company.

DR. ARTHUR A. HAMERSCHLAG, *Di-
rector*,

Carnegie Institute of Technology.
WILLIAM R. HEATH, *Vice-President*,
Larkin Company.

N. C. KINGSBURY, *Vice-President*,
American Telephone and Tele-
graph Co.

M. W. MIX, *President*,
Dodge Manufacturing Company.

JOHN H. PATTERSON, *President*,
The National Cash Register Com-
pany.

CHANCELLOR E. E. BROWN,
New York University.

GEORGE B. CORTELYOU, *President*,
Consolidated Gas Company of
New York.

T. E. DONNELLEY, *President*,
R. R. Donnelley & Sons Company.

DR. JOHN FINLEY,
Commissioner of Education of
New York State.

H. A. HALLIGAN, *Vice-President*,
Western Electric Company, Inc.

JAMES A. ROOSEVELT,
Roosevelt & Thompson.

DR. CHARLES P. STEINMETZ,
General Electric Company.

DR. HERBERT J. TILY, *General Man-
ager*,
Strawbridge & Clothier.

JOHN MCLEOD, *Ex-President*,
The National Association of Cor-
poration Schools,
Carnegie Steel Company.

F. C. HENDERSCHOTT, *Secretary*,
The New York Edison Company.

Class "A" Members

ADDRESSOGRAPH COMPANY, 901-11 W. Van Buren Street; Chi- cago, Ill.	MR. R. N. FELLOWS
AMERICAN AGRICULTURAL CHEMICAL COMPANY, New York, N. Y.	MR. MYRON S. HAZEN
AMERICAN BRIDGE COMPANY, Pittsburgh, Pa.	MR. J. E. BANKS
AMERICAN HARD RUBBER COMPANY, New York City.	MR. S. H. RENTON
AMERICAN LOCOMOTIVE COMPANY, Schenectady, N. Y.	MR. L. L. PARK
AMERICAN ROLLING MILL COMPANY, Middletown, Ohio.	MR. CHARLES R. HOOK
AMERICAN SHEET AND TIN PLATE COMPANY, Pittsburgh, Pa.	MR. J. A. HUNTER
AMERICAN TELEPHONE AND TELEGRAPH CO., 15 Dey St., N. Y.	MR. K. W. WATERSON
ARMOUR & COMPANY, Chicago, Illinois.	MR. W. S. MACARTHUR
ATCHISON, TOPEKA & SANTA FE RAILWAY CO., Topeka, Kan.	MR. F. W. THOMAS
THE ATLANTIC REFINING COMPANY, Philadelphia, Pa.	MR. J. D. GILL
THE BELL TELEPHONE COMPANY OF PENNSYLVANIA, Philadelphia, Pa.	MR. J. C. LYNCH
THE BILTON MACHINE TOOL COMPANY, Bridgeport, Conn.	MR. C. E. BILTON
THE BRIGHTON MILLS, Passaic, N. J.	MR. H. V. R. SCHUEL
BURROUGHS ADDING MACHINE CO., Detroit, Mich.	MR. F. H. DODGE
A. M. BYERS CO., Pittsburgh, Pa.	MR. C. L. JAMISON
CARNEGIE STEEL CO., Pittsburgh, Pa.	MR. JOHN MCLEOD
THE CENTRAL NATIONAL BANK, Philadelphia, Pa.	MR. WILLIAM Y. CONRAD
THE CHASE NATIONAL BANK, New York, N. Y.	MR. M. H. HOWELL
THE CLEVELAND-CLIFFS IRON COMPANY, Ishpeming, Mich.	MR. W. H. MOULTON
COLUMBIA STEEL & SHAPING COMPANY, Pittsburgh, Pa.	MR. E. L. PARKER
COMMONWEALTH EDISON COMPANY, 72 W. Adams St., Chicago, Ill.	MR. FRED R. JENKINS
COMMONWEALTH STEEL COMPANY, St. Louis, Mo.	MR. ARTHUR T. MORRY
CONSOLIDATED GAS CO. OF N. Y., 4 Irving Place, New York City.	MR. WILLIAM D. KELLEY
CONSOLIDATED GAS, ELECTRIC LIGHT & POWER CO. OF BALTIMORE, Baltimore, Md.	MR. DOUGLAS BURNETT
CURTIS LUMBER & MILL WORK COMPANY, Clinton, Iowa.	MR. FOSTER HOLMES
DENNISON MANUFACTURING CO., Framingham, Mass.	MR. C. E. SHAW
HENRY DISTON & SONS, INC., Philadelphia, Pa.	MR. WM. D. DISTON
DODGE MANUFACTURING CO., Mishawaka, Ind.	MR. MELVILLE W. MIX
THE DOW CHEMICAL COMPANY, Midland, Michigan.	MR. WILLIS H. CLARK
R. R. DONNELLEY & SONS COMPANY, Plymouth Place, cor. Polk, Chicago, Ill.	MR. T. E. DONNELLEY
E. I. DUPONT DE NEMOURS & CO., Wilmington, Delaware.	MAJOR F. O. WHITLOCK
EASTERN MANUFACTURING COMPANY, Bangor, Me.	MR. C. K. HATFIELD
EASTMAN KODAK CO., Rochester, N. Y.	MR. P. W. TURNER
ELLIOTT-FISHER COMPANY, Hattisburg, Pa.	MR. W. R. BUSCH
ELLSWORTH COLLIERIES COMPANY, Ellsworth, Pa.	MR. E. E. BACH
EQUITABLE LIFE ASSURANCE SOCIETY, New York, N. Y.	MR. F. P. PETER
FELS & COMPANY, Philadelphia, Pa.	MR. MAURICE FELS
GAS DEFENSE PLANT, Long Island City, N. Y.	MR. ALTON C. WELLS
GENERAL ELECTRIC COMPANY, Schenectady, N. Y.	MR. H. G. REIST
GOODMAN MANUFACTURING COMPANY, Chicago, Ill.	MR. A. B. BENEDICT
THE B. F. GOODRICH CO., Akron, Ohio.	MR. H. T. WALLER

